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School Finance Advisory Committee

Fiscal Year 2004 - 2005

Minutes

The School Finance Advisory Committee (SFAC) held its second FY05 quarterly meeting on Monday, December 13, 2004 at the Arizona Department of Education, 1535 West Jefferson, Room 417, Phoenix, AZ 85201.

Members Present		Members Absent	Guest Observers
Ms. AnnMarie Short	Mr. Jay D. Kaprosy	Ms. Christy Farley	Michael Hunter
Ms. Brenda R. Thomas	Mr. Bill Maas	Ms. Rita Leyva	Jim Zaharis
Mr. Paul Christensen	Karen L. Havird	Ms. Dianne L. Smith	Rose Whelihan
Dr. Margaret A. Schrader	Ruth Solomon	Dr. L. Dean Webb	Laura Miller
Mr. Quincy Natay	Vicki Salazar	Mrs. Karla Philips	Beth Gasperone
Mr. Kevin C. Uden	Philip G. Williams	Mr. John Arnold	John Blair
Dr. Chuck Essigs	Lyle Friesen	Mr. John Ushman	Bob Dohm
Mr. Rick Conrad	Raphaela A. Conner	Mr. Richard Conrad	Greg Rickert
Mr. Dan Bigler			Daniel O'Brien
Ms. Linda Proctor-Downing			
Ms. Mary F. Gifford			
Dr. Sally E. Downey			
Ms. Kristen Jordison			
Ms. Patricia J. Beatty			
Mr. Kevin E. Price			

Meeting called to order at 1:10 p.m.

Welcome/Opening Remarks

(Lyle) Good afternoon everyone, as soon as Kevin's finished talking...(laughter); I just had to start off with something.

(Male) He was saying nice things about you.

(Kevin Price) "Was" is the key word.

(Male) He won't be talking very long.

(General laughter)

(Lyle) Ruth Solomon's going to be a little late; she said to go ahead and start without her.

Review of Agenda/Logistics

(Lyle) Does everybody have a copy of the agenda for today? We're going to start with; just go thru the items listed there. The minutes from the last meeting; the subcommittee on ADM and Excused vs. Unexcused absences; and then continue on with some newer discussion.

Review/Approval of October 2004 Minutes (Discussed from 1:10-1:15)

(Lyle) I guess the first thing we need to do is approved the minutes from the last meeting and I know I've got two versions of those. Once 15 or 16 pages long and a summary that is 4 pages long. Has everybody reviewed those, were those sent out?

(Paul) I move we adopt these minutes as presented. Is that what you're looking for?

(Lyle) You know, this is an informal meeting but if you want to make the motion that's fine and if anybody else has a second?

(Karen) I second it.

(Lyle) Any discussion, any comments? All in favor? *Motion passes.*

(Lyle) Ok. I thought Chuck might want Karen to read these (laughter). But I won't go that far in assuming that Chuck would like it.

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Agenda Items Discussion/Review

Report from subcommittee: First Day Absences and Excused vs. Unexcused Absences

(Discussed from 1:15-1:50)

(Lyle) The first item, report from the subcommittee is Kevin Price on the First Day Absences and the second one would be Excused vs. Unexcused absences. You should have received copies of that [report].

(Ralphie) They were emailed last Thursday [December 9, 2004], and posted to the web.

(Lyle) Do we have anybody that needs copies? [Ralphie departs]

(Lyle) Do you know if Ralphie's going downstairs, Phil?

(Philip) She didn't say anything when she left, but I think she's going to make copies [of the subcommittee report]

(Lyle) That's what I assumed; I just didn't know how long that will take her. We'll give her a minute or so and then a few more people can walk in.

(Onset of general, indistinguishable conversation)

(Lyle) Well, maybe we should go ahead and get started with Kevin's report.

(Karen) Does she have the tape recorder on?

(Lyle) I think she does—you didn't read the minutes?

(Karen) I read the minutes, no I mean for this one.

(Lyle) Yes, Ralphie has the tape recorder going.

(Karen) Alright Ralphie we're starting without you (laughter).

(Kevin Price) On the first item, First Day Absences, we met as a committee to have a lively discussion that took longer than I anticipated, but, we covered a lot of details. What we really came down to was, we'd like to make the recommendation that we start the student on the first day of enrollment, [rather] continue to in that they were already enrolled. Count the student for ADM purposes and mark them absent on the first day provided you're in contact with the parents or whoever is calling in. And you would continue marking them absent until their first day of attendance or until they hit the 10th day mark at which point you would drop them back to the first day. In most cases, I think we agreed that, in most cases most of the school districts determine way before the 10th day whether that is a problem and [actually?] do drop the students as soon as we discover what's going on. And then we also discussed that if, you know, when parents do not contact; we are under law to try to make contact within 2 hours. But we would adjust the attendance based on what we hear from the parents when we actually do make contact, or we hear from another school. If we've been [carrying them and another school has already had that student and they've been actually attending, we would drop them back to the first day and the other school would pick them up. We also discussed using the ADMS 80 report as a way of monitoring those dual enrollments and using them to verify or validate whether it's a valid dual enrollment or whether or not another school has picked them up and you would adjust your entry and withdrawal dates—not only at the first of the year but throughout the year based on contacting the district or charter school, whichever. Are there any other additions from the rest of the committee?

(Lyle) Is the whole committee here?

(Kevin Price) Most of them, only Bill Maas isn't here.

(Lyle) Ok.

(Kevin Price) Yeah, most of the committee is here (continues; indistinguishable).

(Male) We didn't see any difference if the kid's....the second is out the first two why can't he be absent the first two days of school? Continues; indistinguishable.

(Male) You do realize the problem if the kid just went someplace else...but if that is the case, then he's going to hit the 10th day with an unexcused absence and then you're going to withdraw him back to the beginning of the school year.

(Lyle) Does anybody have history on.....and I know Rose is here and Lynn is here, Chuck is here at this meeting....; I don't know when this was decided that we would not allow attendance; I know Kevin summarized, but it was at least second hand from what I understand. But if anybody, including the Auditor General's office or anybody else that was around has any insight on the discussion that was made to say that you could not be counted for membership until you're in attendance?

(Karen) You know, I think a lot of it came out of SAIS to be honest. Because up until then, it was not a big 'no-no' to actually record them absent on the first day of school. But once SAIS came along and everything became automated you actually started getting errors out of the computer system saying you can't have a kid absent on the first day of school. That's when, it may, I know that at that time; it might have been in place but it really increased our awareness level at the time that we started getting computer errors kicking out saying that you can't have them absent the first day of school. So even if it was in place I think the awareness increased with SAIS.

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(Lyle) I would definitely agree with that last statement. It was in the *Instructions for Required Reports* for quite some time.

(Rose) Lyle, in statute 15-901, that specifically states that for high school age students, it said they would have to be actually and physically in attendance in order for them to get attendance. And I think that what is was taken under, is because it was in the high school section.

(Chuck) I don't think that was ever meant to say, the *first day*. That just meant to say that you can't count a kid, like in distance learning. Mesa School District (a long time ago) got an opinion when we trying to count some home schoolers and the opinion was we couldn't because they weren't actually, physically in attendance. But I don't think that ever meant the first day. The first day was no different than any other day. It just means you can't count kids unless they're actually and physically in attendance and enrolled; that they have to be there. You can't count kids that are someplace else.

(Lyle) Yeah, I did look at that also, and it is under the attendance law and I can see where that might be tied to the decision—

(Chuck) But you can be following that and you couldn't a kid on the second day unless he was physically there. If it means you can't count them unless they're physically in attendance, it means, let's say the first day of school; everyday that kid wasn't there he couldn't be counted for funding because his membership...I think that was just intended to be; you can't count kids unless physically come to your school. And there is an Attorney General's statement that's pretty (bold?) that says you can't count (?) students.

(Lyle) I see there were two issued about the same time, one for charters one for (???). Anybody have comments back here [to audience]? Lynn, I know you've been around longer than I have...

(Lynn) It seems like it's been that way forever, I don't remember (continues; indistinguishable).

(Lyle) Well, what does the committee want to do with Kevin's report?

(Female) Approve it! (laughter)

(Onset of random, indistinguishable discussion)

(Lyle) Send it to the Department of Ed for consideration?

(Kevin Price) Well, I guess we're wondering what the option is because it's a new committee. I mean, I think that Superintendent Horne basically wanted to hear what the issues were and so forth; and this is one we would like to implore. We're not sure what that process is...

(Lyle) And I am not sure what that process is either, other than we'll prepare something and Phil and/or I will present it or forward it up the chain to the policy or management team.

(Vicki) It will go to the [ADE] policy team. I'm sure Phil and Lyle will do a formal document and we'll review it at that time.

(Kevin Price) Since that's ADE's formal policymaking and then if they were to approve it then what's next? Is it just the interpretation then? It doesn't become a legislative issue or is--

(Vicki) Either/or. And that just depends on, and I wish Ruth was here; but if it looks like we have to go across for legislation change, actual, we'll do that. If it's just ADE's interpretation and we can implement it here at the agency we'll go forward with that.

(Male) I think it's the USFR that proceeded the... (?? Continues; indistinguishable)

(Vicki) We work with the Auditor General's office to get that updated, so we can do it that way.

(Lyle) We would also need to come up with some requirements; well some specific requirements for programming and so forth. So that MIS could make the changes on our side and provide new rules and so forth for all the vendors out there. If the policy team were to approve the change to allow first day absences, I think the next step would be to come up with those rules—what to do in each specific case to determine what cases, or however many cases or scenarios that we come up with that you might have to handle. One thing I know, through student details, is no matter how much ADE thinks about the scenarios can arise; the districts and charters come up with scenarios that we never even thought about. So we would need the involvement of the committee again on that or a subcommittee at that point in time.

(Male) We would propose; recommend that ADE have, that ADE send data forward to the policy committee.

(Lyle) The policy team?

(Male) The policy team. Do we have to (vote?)

(Lyle) Well, it's a consensus. And before it seemed liked everyone was shaking their heads. If you don't think we have a consensus let's do it that way rather than doing an official vote. That's what we need to do is the consensus. Is everybody in agreement that we need to present this? Do we want to present it just as written?

(Female) Yes.

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(Female) We should probably list some implications for MIS. I think that would be helpful for it to go to the policy team for it to have described (???...education) as well. I don't have any changes to this; I think only that you should add some of those things that are important for the internal consideration.

(Female) And some of the different scenarios, in terms of that 10 days time. Whether or not they're coming to school or not. Then they come, then they're absent; then they go...can they withdraw during that time? I mean, it's one of those same scenarios.

(Kevin Price) Well, and the second discussion point the Unexcused/Excused absence then becomes, basically the critical part to do that; because if you have an unexcused absence for 10 days you would automatically drop them back. An excused absence which, it could fall under that condition, is you're in contact with the parent; you're working with this student, you know that's going to come into play there. And so really, what I (?) is pull of the excused/unexcused absence to accomplish this. Because it would become possible to have an excused absence on the first day of school.

(Lyle) I could see the policy team approving this—well; what is decided or recommended or what is approved for absences could be $\frac{1}{2}$ or $\frac{3}{4}$ of what is proposed by this team. It's a very unique outcome if we don't do both at the same time. Do we want to...? I don't know whether we can ask Kevin; would the policy team listen, as a third presenter to Kevin or some other representative of the committee?

(Vicki) Well, why don't you just bring it forward and then, if they want to they would probably ask you, you could ask Ruth! (Ruth walks in)

(Ruth) Yes, what?

(Vicki) She's a member of the policy team.

(Lyle) Well, I think she just answered yes (laughter)

(Ruth) Anything you want! (laughter)

(Male) Can I get that in writing? (laughter)

(Male) We'd like to subcontract with Charles Barkley and have him present it (laughter).

(Female) No, he's not a role model (laughter).

(Lyle) Ruth, the question was whether Kevin or another member of the committee could present to the policy team; the first go around or whether it should be left to—

(Ruth) For what purpose?

(Lyle) Presenting the committee's recommendations on First Day Absences.

(Ruth) It should be left to Phil.

(Jay) One question on the document, you asked if there was a need for any changes; and I'm not necessarily suggesting a change but more for my own purposes of clarification. Under the recommendations on page 2, the 4th one down; the very last statement: "...or an absence that has been authorized by the school district for school purposes." I guess I'm looking for a definition of school purposes--and I may have missed that.

(Kevin Price) It would be like a suspension or school activity; those types of things.

(Lyle) That's actually the second report that—

(Jay) I'm sorry, I jumped ahead; I apologize

(Lyle) I think we could theoretically have the first one approved even if the second one went nowhere.

(Kevin Price) The second one is probably easier to approve...

(Lyle) Well, I don't know that the second one is easier to approve, but go ahead.

(Ruth) But we're certainly not going to argue with a committee member (laughter).

(Male) Why not, that's half the fun! (laughter)

(Kevin Price) Ok, so are we ready to talk about the excused and unexcused absences?

(Ruth) ...indistinguishable

(Lyle) We did on this one.

(Kevin Price) Ok, so we have consensus on First Day Absences. On the unexcused/excused absences, we once again spent an hour or so going over various issues. And we basically came down to the recommendation because we didn't feel that either the ADE required reports [*Instruction for Required Reports*] or Title 15 really gave a clear definition of an unexcused absence. It would be our recommendation that we have a clear explanation of an unexcused absence and that also kind of dictated that we look at the excused absence as it was defined, because there was a lot of room for interpretation. So, we actually in our recommendations and gave you two recommended definitions one for unexcused and one for excused. And then on top of that, to clarify another area where there has been confusion is, just rephrased a little bit; on the unexcused absence 10-day withdrawal rule that you go back to the last day of physical presence; that that applies to the 10 day unexcused absence. Does the committee have anything else to add to that or are there any questions that need clarification?

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(Jay) Again, it's just a question about school purposes. I might suggest that rather than leaving it vague, if were going to present it to the policy committee, that it be clarified about what that is; whether it be suspensions or expulsions, etc.

(Kevin Price) Well, we elected [not] to come up with a concise list of what those are because everyday you might be hit with something else.

(Karen) I think, you know, just like what you said, maybe just put a comma, e.g. suspensions...

(Kevin) Oh, for example?

(Karen) For example, would that suffice? Suspensions is the big one I think. I can't think what else...

(Male) School activities...

(Male) Athletic trips...

(Female) Field trips is a good example...

(Onset or random, indistinguishable discussion)

(Male) I'm not opposed to putting examples, I'm just don't know that we could give an all-inclusive list.

(Female) Suspensions and field trips and athletic events are three really good ones.

(Lyle) I've never worked in a school district but I've always assumed that when I signed off on a field trip permission slip that that was counted as attendance.

(Female) Yes.

(Lyle) Unless there was some kind of paper mishandling somewhere.

(Karen) But the child is not in the classroom, so you could have an opportunity where that child could be marked absent. Maybe its not that particular class' field trip, but maybe certain kids from the 8th grade or whatever went to Washington DC and they would be absent from the classroom those couple of days.

(Male) Not usually, we always mark them as excused, if we know where there at—

(Kevin Price) The idea behind the language was simply if we knew of the reason for suspension; those kinds of things. Because for our own purposes, we mark them as unexcused because they're suspended from school because of behavior. But from the ADE standpoint, there saying that we don't know where they are, we don't know the conditions so that marks them unexcused. Well we know where they are, we know the problems, we know the situation. But for disciplinary reasons and so forth, we might use the term unexcused, and that's where the confusion comes in and do we lose an ADM day because they are unexcused or if the school knows the reason or has initiated the reason why this kid needs to be out of school for a behavioral issue or whatever. I think most the field trips and other things we always identify them as excused when we know they're gone for a school purpose or athletic....

(Female) Absolutely, absolutely.

(Kevin Price) But that was the intent behind what we were trying to do. Whereas if it only said if his parents excused them, that was the only thing that qualified for that. It didn't give the school anything if they needed to do any disciplinary type of action. So, that was the thinking behind it. Rather than be penalized for those days where were holding a seat and so forth because your kid's behavior was bad and suspended for 3 days—they're coming back. Rather than be penalized for those days, we wanted that as an excused absence.

(Jay) Someone's going to have to remind me whether excused or unexcused is defined in statute or if it is department policy?

(Kevin Price) The only definition that I was able to find was in the reports [*Instructions for Required Reports*] from the ADE which is part of the USFR and there it only gave a definition for excused absences. It does not give an [definition for an] unexcused absence.

(Male) I think law actually says that the Department of Ed will interpret; will make a definition.

(Jay) Well, then I would just defer; I guess for my own information, I was just looking for some definition around school purposes.

(Mary) I think the second you start listing things that are acceptable, you get into a scary (??) and then everyone tries to fit everything into those categories and then only those categories are allowed. I think the wording Kevin has currently and if statute does leave it up to ADE to interpret it, I think we need to (??)

(Female) Question. If you had an in-house suspension; the student's been suspended but they're in house, stuff like the ADM counts right?

(Male) Right.

(Female) So if you start laundry listing things like suspension then you're going to lose that.

(Lyle) Would it be possible to maybe set some; under unexcused possibly, not examples but possibly some very general categories for excused? Or do we want to stay away from that altogether? My only concern is if we go from having two things listed as excused (something that is very specific) to something that is very wide open....

(Male) You know the pendulum swinging in the exact opposite direction.

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(Kevin Price) I think part of the issue, and this is a simplistic way of looking at it but, if were really looking at the kid and what were trying to accomplish with the student; in my mind it comes down to; unexcused/excused comes down to, are we in contact with the parent and are we working with this kid? Or have we lost the kid, he's just disappeared (he withdrew; he's gone away)? Because we run into situations where a student is a disciplinary issue and he doesn't want to come to school. The mom or dad are calling him in and saying "I'm not excusing him he's ditching or this 'n that; but we're working with him". Well, if you're not careful, here's a kid that has an issue that we have counselors and people there to help but if we drop him after 10 days and our funding goes away, its like why are we spending all this time, all this effort on this kid that were not getting paid for and that's the kid that needs it as much if not more than some of the others. So, the way the finances vary, you know, no matter where you draw the line there are going to be issues and you're going to have problems with it. In my mind it comes down to, are you in contact with the kid? Are you putting forth effort to work with that kid or have you lost contact? And you would lose contact when that kid goes to another school or to a charter. Because then that responsibility rolls over to that charter or that other school. So in my mind, that's kind of where I would draw the line of an unexcused/excused—especially for state purposes. Like I said, within the school, we have a whole different interpretation for what an unexcused absence is. But for state reporting purposes; for funding purposes; is where we're trying to differentiate here.

(Female) And if an auditor came in an asked to pull that particular record for that child; and your new contact is kind of AWAL; how would you show the auditor that the child should (??) Then you could start focusing a little bit on what would be the kind of excuse that would be acceptable?

(Kevin Price) Are we still working with the parents? Are we providing....?

(Female) Would you show phone records...I mean, what would it; what would it be?

(Kevin Price) I'm not sure that ...it would be your contact list or whatever. I think before you maybe (??) is how you differentiate when they go to another school district. The ADMS 80 report that we recommend allows you to see that we have [kids] here and the charter has them there. At that point the other school is capable of contacting you; you have a conversation and you adjust based on that. When you could come up with rolling back and all that. Because we do have situations (that we have found) where a parent was calling the student in sick, but they had gone and enrolled the child in a charter school because they wanted to try it. And that's where we made contact with the charter and we adjusted our entry and exit [dates] based off of that. So, it comes down to working together. But it's like who's staying in contact with them? Right now, there are kids that are falling off our rolls that we don't know; well we know that they're not being picked up or whatever. And you lose track of those. Did that answer your question?

(Female) I'm just worried...There are some charters and some districts out there that are not going to be as diligent about that contact. And to try to describe that you don't have to drop them if you're in contact with them, what would that be? Because some of them are not going to be as good at it as Mesa may be.

(Kevin) Yeah. Well, you have the reports so the other school can call. But contact to me means that you are providing them with educational services. Because you're getting into the realm of...because we will have kids that are dual enrolled. We already have. Ok. So, basically, it gets down to that if somebody wants to cheat the system, um, they can do that and they will always be able to do that and that's what it comes down to. But if I call up your charter school and we get talking on the phone; hopefully were going to be able to decide that 'hey, this is when the kid physically switched to you and he stopped going here'; you know. And when that cannot occur or does not occur I should say; that's when it would probably be up to ADE to look at the facts on both sides and make a determination. But that would probably be a rare case because...(cutoff)

(Female) I'm a little worried about a child being described as discipline problems; that you're working with the parent; that the child's been physically in attendance; but you're working with them. That kind of scenario worries me. You know once the child is enrolled somewhere; I'm fully confident that we can all talk, but some districts and charters are not going to do such a good job. Until, they either bail or decide to re-engage.

(Kevin Price) I think that if they start using the ADMS 80 report; where if they don't validate their side of the report they lose their attendance or ADM, then that will start forcing people to be diligent on what they do because if they're at both schools and I validate my school and the other one doesn't, what happens Lyle? The school that validates gets the credit and one doesn't. So that means that everyone should become more diligent and if were all working off the same report (???) it should improve things. But there will be some...

(Ruth) We're just wondering, now that all kids have SAIS ID's, can't we track for that? Won't that take care of that problem?

(Kevin Price) Well, that's what the ADMS 80 report is. It shows where that kid is enrolled and if he's got a dual enrollment. And sometimes it's a valid dual enrollment; and other times its not.

(Lyle) Currently the ADMS 80 is just district/charter.

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(Female) Is that something that you're looking at; expanding that for districts too?

(Male) That's what we're proposing.

(Lyle) Now, I do have concern about one of the comments you made, and that is ADA in some cases, we'll need to make a determination. And, it has...I've been surprised about the significant number of insignificant events within Student Detail (laughter) and things that supposedly only come up a few times. But with a million students out there, a few times could require several staff people to make those kinds of decisions; to do the research, and so forth. So, I don't think that would be quite as easy; well, I don't believe right now that that would be quite as easy as we had hoped.

(Female) Nor is it necessarily good policy.

(Kevin Price) You know I would hope that it would never get to that because we ought to be able to...(?) The schools have the detail; between the two of them, we should be able to work that out. I'm saying that in the case that they can't work it out, because who knows—unusual circumstances--there is going to have to be some mediator. Whether that's ADE or who I'm not sure. Like I say, and I may be simplistic in my thoughts, but it really shouldn't happen because it's in everybody's best interest that it doesn't go to mediation.

(Ruth) I want to go back to the ADASM, am I saying that right?

(Female) No, it's ADMS.

(Ruth) Close enough (laughter). A.D.M.S. Is there no way; were doing that clearly in one instance, is there no way we can do this in all instances and avoid the problem?

(Lyle) I think that it could be done so that in any concurrent enrollment; I think it could be done.

(Male) It would probably be advantageous if we could have two reports. Because the first one, the kid can't be in a charter school and a public school (more than one). There are cases where they can be in multiple public schools. So maybe if we had two reports it would be easier to; people wouldn't have to go through and look and see which is the charter public mix and which is just public mixes. (Male interjects - And probably charters!) You know, keep the report the way it is now and then run reports that would show kids who are in multiple charters.

(Lyle) Basically, one ADMS 80 that impacts state aid and one that doesn't?

(Male) Right.

(Male) The other one would be good information because I think it would be helpful for districts to know that; because they would be able to look and say that's obviously a mistake. Chuck Essigs, he left our district a while ago, but he still must be reporting it and its showing up here. And I know he can't be in Page and Mesa at the same time. It would be a good management (continues, indistinguishable).

(Lyle) I don't know what it takes to generate a report or to, from the queries and so forth. I believe it could be done.

(Vicki) Some programming.

(Lyle) Yeah, there would be some programming.

(Vicki) To get an instant report generated right away. We'd have to get with MIS and get timeframes for this.

(Rose Whelihan) Can I come back to the unexcused absences? Has anyone thought about the AYP and how those absences will affect AYP? Because attendance rate; there's a certain attendance rate that they have to meet and if you have excessive absences that's going to affect that AYP also. And that's where the attendance...; right now in Scottsdale we have where we keep track of attendance and the principals are looking at students that are absent for at least 5 days or more and double checking to make sure they're valid absences. But even if it's excused or unexcused it's still going to affect your attendance rate and its going to affect AYP and then you're going to have a lot of failing schools.

(Male) Isn't that attendance rate based on the testing period?

(Rose) Not necessarily...

(Male) I thought it was the number *in attendance* at the week of the test? And it must be in excess of 95% or increased by 1 percentage over...so that's just for a period of time on the attendance.

(Rose) But it still could affect, in the long run. You're accumulating absences and on that date you might have a 95% attendance rate but it could affect it in the long run. We had one of our schools that didn't make it because it's overall attendance rate; it was another part of that AYP—(cutoff)

(Female) So we're talking about two different things. You're not talking about the 95% testing threshold, you're talking about the three things that factor into AYP; your talking about the attendance rate that factors in.

(Rose) Yes, yes, yes.

(Female) Absolutely, that's a big topic. But I don't know that that's necessarily a School Finance topic. I think that's a Research and Evaluation topic.

(Rose) But it has to do with the ADM. It's looking at the average daily attendance and the average daily membership for an individual school. And if that percentage isn't 95 percent that schools not going to qualify; it's going to be a failing school.

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(Female) You're saying for the whole year? What I'm hearing from the other discussion is the first 100 days---(cutoff)

(Rose) It's not just for the first 100 days...there is different criteria....

Onset of random, indistinguishable discussion: Bits of discussion picked out

(Female) No, it's two (or to) different...

(Female) I think maybe this is an R&E issue.

(Female) We'll talk with (??) about this.

(Female) Ok.

(Bob Dohm) The important idea that Rose is trying to bring up, if I may, is that if you look at things only from a financial point of view; what we do currently with this data, you could hamstring the system when it looks at other issues. Right now, excused vs. unexcused may not have that big a role in Finance but it may have a bigger role in some other area. So we just caution you to be very careful about the impact the decisions made here on the system as a whole.

(Ruth) And we will look at the unintended consequences and we appreciate you raising the issue.

(Male) But does the AYP have anything to do with whether the absence was excused or unexcused? I thought AYP was 95% attendance. Period; that simple.

(Onset of random, indistinguishable dialogue)

(Male) [Very indistinguishable] You know the impact it could have if you would do the withdrawal based on a kid that who is absent but I don't know if there is anything a district would have in policy if you're absent for 5 days or (???)

(Lyle) There is a provision for districts setting up excessive absence policy...(continued background discussion)

(Male) In fact our principals are very sensitive about that issue also.

(Female) There's also in other statute, in 803, where it talks about 10% of the full attendance in any given school year. So that's what schools/districts can fall back on.

(Ruth) So....where are we now? (laughter)

(Kevin Price) Are we still discussing or are we ready for recommendations?

(Male) I have one thing on the recommendation; the first one. Which reads for state reporting purposes an unexcused absence is an absence that has not been authorized by the school district, the parent, or other person who has custody of the pupil. The way that reads to me is that any of the individuals can excuse the absence. And in the rare occasions in our school district where a parent has been untruthful, certainly have been times where we have accepted an excuse from the parent.

(Kevin Price) And I think what we're trying to do there is...How the school treats it, you can still have that as an unexplained absence for reporting to the state. If you're in contact with the parent, we're saying that that would be an excused absence. However, at your school you may be calling that your; for discipline purposes, as an unexcused absence. And that's what were also trying to do, is distinguish between them. There are different uses of excused and unexcused absences. There are those that are for the state; those in your school district. Then, if you go into the judicial system, what the judges want to see are whole other thing. So we're trying to distinguish between those.

(Onset of random, indistinguishable discussion and laughter)

(Kevin Price) Does that help?

(Male) Yes.

(Lyle) I have a question about; it doesn't seem like the language for unexcused and the language for excused meet, fully. You know, when it talks about unexcused, it includes 'authorized by the school district', but for purposes of excused do you want to say the same thing?

(Kevin Price) Well...

(Lyle) Or, of course (??)

(Kevin Price) Well, within the committee; outside the committee; and with my own staff we debated the use of words there. Whether it's 'authorized', 'validated', and no matter which word we used there were issues. So I'm not sure I'm totally following you but, I was a little bit worried about authorized because it sounds like the school is putting its blessing on something that maybe; by saying its authorized by the school that we authorized them to ditch. No, we didn't authorize them to ditch they did, but then it falls into this category. So if anybody has a better use of words; I'm not a wordsmith by any means, I'm open to suggestions. But that's what the [sub]committee had kind of agreed upon. We felt that authorized was as good as any of them.

(Ruth) Do you want to use something like 'agreed to' rather than authorized? Does that make the assumption....(cutoff)

(Onset of random, indistinguishable discussion)

(Female) Validated, to me, is stronger than authorized.

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(Female) If authorized is making me squeamish, validated would make me jump off my (??)

(Kevin Price) Like I say, I've had many conversations and there are issues with every one of them.

(Ruth) "Were accepted by the school district for school purposes?"

(Male) I think accepted is better.

(Onset of random, indistinguishable discussion)

(Female) Can I ask for just a little clarification? In terms of 'accepted' absences that for excused or unexcused right?

(Male) Absolutely.

(Female) Then why does it have to be reported as excused or unexcused to School Finance?

(Lyle) Unexcused 10 consecutive requires the withdrawal.

(Female) So for that purpose, that triggers it.

(Female) Indistinguishable.

(Lyle) Say that again?

(Female) The 10% of (??). once you get to the point in the year; because some kids have figured out how to (??). They show up for that 8th day, then the clock starts again. They get to a point in the year where they have clearly missed more than 10 percent of the year. Are you required at that point to withdraw them?

(Lyle) Isn't that the truancy language?

(Female) Right, yes. Is it compulsory do you have to withdraw them?

(Onset of random, indistinguishable discussion)

(Female) I think it is optional. You don't have to make it compulsory/give them the boot if they're not going to finish more than 10 % of the year.

(Ruth) Do we have consensus on this one?

(Male) You would need to add something else later in that sentence. Because it can't be accepted by the school district; accepted by the parent; or accepted by the other person.

(Lyle) As far as word-smithing goes, Kevin or who will be doing the word-smithing?

(Kevin Price) I can try, but I'm not very good at word-smithing.

(Ruth) I can do it.

(Female) Ruth can.

(Onset of random, indistinguishable discussion)

(Lyle) Do you want to include a few examples?

(Kevin Price) No.

(Lyle) For purposes only of presenting to the policy team?

(Female) Indistinguishable; something to illustrate that ...

(Female) To whom are we presenting?

(Lyle) ADE policy team.

(Ruth) Oh, no; I can do that.

(Male) Do we have a recommendation to move this to ADE?

(Lyle) I thought that's what the consensus was (laughter).

(Ruth) Good job, thank you Kevin; and members of the committee.

(Lyle) Ok. Under discussion we have four items: CECA-CEC-B with my name; 100th Day Count vs. Full-Year Funding (180 Days-Sally Downey); Current Year vs. Prior Year Funding (Jay Kaprosy); and Definition and Use of the Auxiliary Funds. For CEC-A & CEC-B, I don't have a recommendation, I read somewhere that ADE would have a recommendation, I do have some documentation but I think it would be better to put a subcommittee together and bring it back another time. I can share that it doesn't affect, from what I understood, to many people in the state, let alone in the committee here. I think the other three issues would impact every district in the state and charters more likely. Do we have a preference of which one we want to hear from first? 100th day count vs. full year funding; Current year vs. prior year; or definition and use of auxiliary?

Certificates of Educational Convenience: CEC-A & CEC-B Funding (Discussed from 1:50-1:55 pm)

(Female) I'm sorry, are you giving this to subcommittee, the CEC stuff?

(Lyle) No, I won't do that before; I want to get a subcommittee together. And if there are volunteers for that I would appreciate that otherwise I may contact (???)

(Female) Ok, so you'll put a subcommittee together on this.

(Ruth) Why don't we ask for volunteers for the subcommittee now and we'll get part of this going. It's before Christmas, so I presume that were talking about after the first of the year.

(Lyle) Does the subcommittee have to be members of the committee? If not, there is someone from Scottsdale that is CEC-A.

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(Ruth) Rose, would you like to do this?

(Rose) Yes, please.

(Mary) I volunteer to (??)

(Lyle) Ok, Rose and Mary.

(Ruth) Is there anybody else just chomping at the bit to be a part of this? (laughter)

(Onset of random, indistinguishable discussion)

(Male) I guess the biggest question is, is the money going to come back? Or...last year was the first time...

(Lyle) I've Rose Whelihan, Mary Gifford, Kevin Price, contacting Diane (Gocke; Gokey? SP); and someone said Carol? Maricopa County(??)

(Onset of random, indistinguishable discussion)

(Lyle) Ok, we'll set a meeting and I'll be in contact with those that volunteered or were volunteered.

Current Year vs. Prior Year Funding (Discussed from 2:05 – 2:20 p.m.)

(Jay) Lyle?

(Lyle) Yes?

(Jay) I failed the committee, in that I wasn't able to get the time together to put something together or current year vs. prior year funding. It seems to be tied very closely to the 100th day count vs. full year funding; because ultimately, those two are very connected. So, I'm more than willing to get something put together on what encouraged me to put forth current year vs. prior year. Although you may want to contemplate putting together a subcommittee to address both of those issues; because they are so closely linked. If you get to a 180 day count, then you could potentially more easily look at a current year funding mechanism.

(Ruth) Jay will you chair a subcommittee?

(Jay) Sure.

(Ruth) Sally, will you work with that committee?

(Sally) Sure.

(Jay) I can guarantee I can make time that way too (laughter).

100th Day Count vs. Full-Year Funding (180 Days) (Discussed from 1:55-2:05 p.m.)

(Lyle) Sally, do you still want to...?

(Sally) When Ralphie called me and said 'what do you have for the package'? I say, well, nothing (laughter). So she said, maybe a statement; and so, I certainly don't want to open a can of worms, and that is not the intent here. Maybe I just don't understand that this would be a difficult thing to transfer to. But it just seems like that if were really talking about high school completion rates and we really want to focus on that; and to get Arizona off of that bad list of drop outs or completers or whatever you want to call it. It seems like this goes hand-in-hand with that. And it would be important that; what I would change in that one sentence after funding would be to offer funding through the 180th day rather than just the 100th day.

(Lyle) Offer or require?

(Sally) Well, require. You know, just get away from the 100th day and go to the 180th day and maybe that will encourage; or be more of an encouragement for districts to make sure the kids are there all year long. And maybe it's just very simplistic in my thinking, and maybe this is very difficult to do—I don't know.

(Chuck) The unintended consequences....First thing is it would make it very difficult for schools when they adopt their budget. Because you wouldn't know what your budgets going to be. It would make it very difficult for the state to estimate what funding they need because it's changing all the time. And I think they're different issues. I think that by the students gotten thru the 100th day of the second semester and any district, when they say they don't care anymore well they do. Because if you're a district in Scottsdale you're real cognizant now of your kids. You don't let a kid leave in the Spring because you know he's not going to come back in the Fall. You're going to lose funding. So I really think there is plenty of incentive now in keeping those kids [beyond the 100th day].

(Female) ...indistinguishable....Charter school has a 200th day calendar, and it's a struggle; it really is. And since those schools do have to count through the whole 200 days is getting us in a similar position we'd be in if we (???)...my understanding is that most of the schools districts and charters in the state that initially opted for that 200 day calendar have now opted out of it because of the challenges of getting people to continue to attend school. You're having to execute teacher contracts now, except you don't have your funding in front of you; your budgets I mean its really just very, very, tough. Maybe looking at some of the experiences of the 200 days schools to inform this discussion about whether or not we count to 180.

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(Male) I'll top that off. Probably, when you have the 100th day and its over, I don't know how many days it takes to get the student count; accounting reports accurate—probably takes a couple of months; just to get people to clean up their mistakes.

(Male) So you go through 180 days, its not like on the 181st day everything is going to be fine. Its going to take---{cutoff, **End - Side 1 of tape**}.

[Begin Side 2 of tape]

(Lyle)...(?) and that will impact your counts.

(Chuck) I remember when it used to be 120. Used to be 120. When the current system started it was 120 days but it got rolled back to 100 because schools having difficulty with that and the legislature having difficulty with that (??) years ago because by the time the 120th day got done it was too late and things like that so they rolled it back to 100th day to get a better idea of..(??)...requirements for funding.

(Sally) Now what about student's that enroll after the 100th day?

(Onset of random, indistinguishable discussion)

(Chuck) Again, I don't know of any district that wouldn't take them because that kids your future.

If you turn him away now, he's not going to be coming back at all.

(Lyle) Calls on Jay

(Female) Indistinguishable

(Jay) Shockingly enough, I'm not even going to disagree with Chuck on the issue that he brings forth (laughter), but I don't think that that's reason not to have the discussion. There is a much broader policy discussion which is that we have a system that is kind of band-aided together because were working around some of these processes: 100th day count; prior year funding; we have growth; rapid decline—we have all these different pieces that are out there. Maybe this is a part of a much broader discussion of the School Finance formulas and how those work. But on a broader sense; and something that my membership is very interested in, is understanding School Finance at all. Right now they don't have a shot in hell at understanding even the basics of how school finance works--never mind the real complexities. So there's a public policy and a public understanding of School Finance that I think would make parents better advocates for their students that are advocates for their districts. One of the questions that I would ask Lyle though, is why is it; can you explain to me a little more why it's taking 3-4 months to clean up some of those records? What takes that kind of delay?

(Lyle) It's just the time it takes to get everyone involved to look at their data and to fix any integrity errors and so forth; or others errors that are causing the records to reject. It could be that Arizona Virtual Academy, being a TAPBI school, have their ADM into the system and calculated and good to go with everything they can control by July 5th or 10th; somewhere around there. But they have concurrencies with Mesa, with Gilbert; with another charters school and if they have one or two students or a lot of students that are concurrently enrolled, that's beyond Mary's control. It's the other people that are less diligent that impact everybody in the state.

(Jay) Is there any kind of a timeline that schools are—

(Female) Consequence!

(Jay) Yeah, consequence? Enforcement?

(Mary) See, I don't get it either. If one of the reasons is legislatively that we have to have it (Chuck brought it up); the lawmakers have to have data to make decisions. If we're saying it takes 3-4 months to clean up *after* the 100th day, they don't have data to make decisions. You know, doing it through the 180th day does not make any difference after the 100th day for the purposes of lawmakers having data in a timely manner to make decisions. Three months after the 100th day, they're gone.

(Female) That's what supplementals are for isn't it? (laughter)

(Mary) Right, right. I agree with Jay, we need to figure out if these are excuses, if there need to be consequences...With SAIS there is no reason it should take two months.

(Jay) Really, even in just this brief conversation that we're having here, I think it points out some of the larger issues that maybe need to be addressed. For instance, one of the things that I was interested to find out--and I'm not saying its right or wrong I don't know enough about it--is that concurrencies are simply an issue that's hashed out between two different school districts and only brings ADE in if we need to. But, it seems like a terribly informal process for something that could have such significant effects and is so important to the system. So that's one discussion that I see. Taking 3 or 4 months to clean up some data which at least, I've got to assume, a good portion of which is now automated, seems surprising. So, and again this isn't the place necessarily to have this [discussion], we have set aside to do a subcommittee, but that's the reason, originally, that I had thrown the issue out there. Because of these kinds of issues as well as the policy debate about the information that our parents and family's ought to have.

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(Male) I would ask what that subcommittees going to deal with. If you're talking about 100th day ADM, current year funding, 180 day ADM. I mean, that to me seems like a policy issues as you mentioned. And the project overview for the School Finance Advisory Committee is that our intent to debate public policy. I think that the conversation around how the current system is operating and how to clean that up for 100th day would be within what I thought the definition of this committee was. You start talking about public policy and whether we should use the current funding or all that, I'm not sure that was the intent of this group.

(Ruth) I think it is within the intent of this group and my co-chair may disagree with that, but I do think it is within the (??) of this committee. And if there are recommendations to be made with regard to those issues, then we should know where the LEA's are and what works for them. So, you're right. It's a matter of public policy, and it's a matter of ADE policy, and it's a matter or board policy, but that's the purpose of this committee to make recommendations. And let me just mention one thing about the data and the cleanup. The data that we pump out is only as good as the data that's put in.

(Onset of random, indistinguishable discussion)

(Kevin Price) Some of the timing delay though is strictly....because you may have a month difference between 40th day. So if you're looking for an all-inclusive 40th day you have to wait for every school district to hit that 40th day before you can generate that report.

(Lyle) The Student Detail System/SAIS...let me make my comment here first; was built on old language; assuming that we couldn't do any of this concurrency testing. Mesa sends in aggregate ADM, daily membership days; Gilbert; PPEC Tec; everybody sends in and all of a sudden we've got student detail with concurrency rules and ARS 15-915. And we've got changes going on forever it seems even though 915 only allows for 3 years. So, I think there should be some enforcement or deadlines to changes to legislation that maybe tighten up when ADM can be fixed. In a way I think in some cases, a 1 or 2 year window might be necessary but as a general rule of thumb is 3 years necessary? Or even within 1 year, do we want to cut it off? I just don't see it cutting off at hundred and...the 100th day must be valid by 120 because (??) concurrencies must be validated by 120, 150, or whatever it is.

(Male) I want to make one comment. I sat in this exact room I don't know how many years ago on a SAIS committee before SAIS even got started. I remember those discussions and I think at that time nobody anticipated all the work that was involved with making the SAIS program work. And from the standpoint of 3 months [it] doesn't seem like lots but I mean, we've been looking at *9 months* in getting certain things in and its not because the school districts aren't making efforts, it not because ADE is not making efforts. There is a definite learning curve that nobody anticipated. And the fact that, I think, for a lot of us from school districts we've gone from 9 months later; to where we're pretty close now and pretty consistently close—we've made a lot of progress. We have to keep working at it. I think at some point were going to get closer to that date but...it used to be a lot more and its just a bigger test than all of us would have ever admitted at the beginning, I think. But were definitely making the progress and everybody's put forth a tremendous amount of effort.

(Jay) Lyle, I would suggest that even if we; that if the subcommittee meets that it may not come up with an answer. What it may come up with is the identification of the obstacles to that kind of system; a better understanding amongst the members here about what the impediments are; and the kind of information that we need so that we can explain it to policymakers and parents and to our business owners. And if that's all that we arrive at, I think that that's an enormous success.

(Female) I agree.

(Onset of random, indistinguishable discussion)

(Female) Because it's probably, if we change—and I understand it will be a complete overhaul of the system...

(Onset of random, indistinguishable discussion)

(Jay) Lyle, were you going to ask for individuals that want to participate in this subcommittee?

(Lyle) Well, if I won't I'm sure Ruth will (laughter).

(Ruth) And if you don't volunteer....

(Lyle) Someone will volunteer.

(Ruth) Are there volunteers?

(Onset of random, indistinguishable discussion)

(Ruth) Ok that's Mary, Sally, Chuck...

(Female) Ruth, we have one over here.

(Lyle) It's supposed to be a subcommittee and we have the whole committee (laughter).

(Onset of random, indistinguishable discussion)

(Jay) Somebody got that right?

(Ruth) And I presume you'll call the first committee meeting?

(Jay) Yes. And it will be...

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(Ruth) And if you want to meet here; if it's more convenient then at the Chamber or somewhere else that's fine.

(Jay) I'll ask committee members and I'll work with Ralphie on getting those emails and; addressing that.

(Lyle) So. That takes care of 100th day count vs. full year funding and current year versus prior year funding. Is there any other discussion on those items before we move on to Definition and Use of Auxiliary Funds?

(Lyle) Nope? Ok. Karen?

Definition and Use of Auxiliary Funds (Discussed from 2:20 – 2:30 p.m.)

(Karen) Mine is a simple one and I prefer not to subcommittee this (laughter). I'm just looking for a little bit more of a definition of auxiliary funds because we're finding little pockets of money that we feel an intense need to be accountable for. But the definition of auxiliary is just kind of out there and it doesn't say a whole lot. I refer you to the handout and it says definition and use of auxiliary funds. Title 15 definition says auxiliary operations fund shall consist of all monies with the approval of school district, da da da da da; with all activities of school bookstores and athletic activities. That's just kind of not covering for us, a lot of where the little kids are; where the teachers are out there collecting two dollars for a field trip to the zoo. Or the teachers out there collecting four dollars because they want all their kids to have the same t-shirts to wear on the 100th day of school for some celebration purpose.

(Female) We sold pickles for our shirts!! (laughter)

(Karen) Oh did you? I (??) was a fund-raiser that went through a student club.

(Female) It went through student council.

(Karen) I'm glad to hear that because we all know that fund-raisers go through student clubs but there are a lot of little pockets of money out there that are not really fundraisers. They're just looking for ways to collect money. School book fairs is another one where I've contacted quite a few school districts. Some run it through their PTSO's; some run it through auxiliary; some run it through their clubs. The yearbook is another one. Yearbook, is it a fundraiser? No, sometimes it's not a fundraiser its simply where they're just collecting money to pay for a yearbook. So we have a lot of these little pockets that I'd like to see if we couldn't just open up that definition. It doesn't say fees. If you look in there it doesn't say anything about fees, it just says bookstores and it gives the impression that fees are collected by bookstores. But your bookstores are really are only in place (in our district) only in the high school. We do not have them at any other campus other than our high schools. So, I was just looking for a broader definition of auxiliary so we could find a place to put all these little extra dollars that we have to be accountable for. You okay with that Bill?

(Bill) Yeah. And I was thinking of picture money.

(Karen) Picture money is another good example. You know we shove that to the PTSO's because there is no place that we can account for it. We say your PTSO, please take care of this if there's no place that we are legally able to do it at this point.

(Ruth) This says in 'in pursuance of and in connection with all activities of school bookstores and athletic activities'; where is there language that prohibits the governing board—district governing board—from approving other funds?

(Onset of random, indistinguishable discussion)

(Karen) There's a (??) list in USFR that says you only have these (???)

(Onset of random, indistinguishable discussion)

(Lyle) Well the funds are spelled out in statute; each fund.

(Male) You make them part of auxiliary; it's not a separate fund. You use the auxiliary but you make the student pictures a part of the auxiliary.

(Lyle) I mean when I was growing up, everything I paid was to the bookstore. Everything. Whether it was yearbook—(cutoff)

(Onset of random, indistinguishable discussion)

(Male/Female) At the elementary level? (laughter)

(Lyle) I don't remember the elementary level (laughter).

(Onset of random, indistinguishable discussion)

(Karen) It's really your littler kids where we run into challenges. And districts with no bookstores, yeah; exactly.

(Onset of random, indistinguishable discussion)

(Female) ... (indistinguishable; something about language)... the list is you may only do these, meaning you may not do others...

(Onset of random, indistinguishable discussion)

(Ruth) I mean in the statute, there's just that one little paragraph and it's not pursuant to any other funds that are listed within this (??). Am I misreading that?

(Female) So you're saying that I can set up any fund that I want?

(Ruth) Well, far be it from me, without the Attorney General's memo saying you can do that—(cutoff)

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(Male) Category within the fund; so you would have to do it within auxiliary or within student activity.

(Male) That's all you're asking. Is it something that is the bookstore or is it an athletic fee that we, can we include it. And literally we have interpreted that not to and we will usually get an audit finding by our auditors if we include anything other than bookstore or athletic activities.

(Ruth) Because they're holding you to the list in USFR?

(Male) Correct.

(Male) Because they're interpreting it only to be those students.

(Ruth) What we can do is ask, if you like, I'll ask for a memo from our AG interpreting this—not an opinion—because we don't want an opinion—because we may not like it. And if we ask for a memorandum. Let me see what I can get that might clarify that and if we have to (??) a memo, that should satisfy auditors.

(Female) Ruth, can you ask in the memo, (continues, indistinguishable.....)....where all of the charter schools are exempt from USFRCS (???)... since all the funds must be deposited according to the USFR; for charter schools that are exempt from the USFRCS (continues, indistinguishable).

(Continued random, background, discussion--indistinguishable)

(Female) I agree there are a lot of things that are tied to USFR that charter schools technically should be exempt from but the auditors find altogether.

(Ruth) Let's find out. Kristen is that alright with you?

(Continued random, background discussion--indistinguishable)

(Ruth) Ok Karen what I'll do is I'll copy you the request.

(Karen) Ok.

(Ruth) Ok, and by the next meeting maybe we'll have a response.

(Continued random, background, discussion--indistinguishable)

(Karen) The USFR definition's right under and it just says 'accounts for revenues and expenditures arising from bookstore and athletic activities.'

(Continued random, background discussion--indistinguishable)

(Lyle) Well, I don't think the USFR should have a more wide open definition than what's in statute.

(Female) Indistinguishable.....more narrow?

(Female) Yes, it narrower.

(Male) I think we need a subcommittee

(Karen) No!!!!!!!!!!!!!! (laughter)

(Continued random, background, discussion--indistinguishable)

(Karen) So we do work with the Auditor General' office on it?

(Ruth) You're welcome. And I'll have something back for you at the next meeting.

(Karen) Ok.

(Lyle) Anything else on that Karen?

(Karen) No, that was it.

Call to the Audience

(Lyle) Then the last item here is the call to the audience. I think we offered ...(indistinguishable).

General Discussion/Questions & Answers Period (Discussed from 2:30 – 2:45 p.m.)

(Lyle) What do we want to look at for our next meeting? We've already got a date but do we want on the agenda?

(Ruth) What's our next date?

(Multiple Responses) March 28th

(Ruth) Well, we'll have reports from our subcommittees. Is there a need to do something with any of the subcommittee reports prior to that next meeting?

(Karen) Question. With the two subcommittee reports that are done would they have gone to the policy team before that March meeting?

(Ruth) I'll take them to the policy team within the next (??)

(Karen) Ok, so we would report that.

(Onset of random, indistinguishable discussion)

(Lyle) So we'll just have the three subcommittees; or actually it was two subcommittees and the auxiliary fund for the next....Bill?

(Bill) I need to talk to somebody about the dual enrollment. We talked about at this meeting; maybe putting together a subcommittee so we can get all of the problems put together in one package and present it at the meeting. Dual enrollment is a big problem at some districts. We had 752 kids I think, were the numbers last year, that were dual

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enrolled in our districts and a charter. And we educate the kids all day—full day—but we only get partial credit for them because they also take night classes and so on. We've already talked to a couple of legislators that are interested in exploring this but I thought we need to get together with the schools and the charters. Because I think it hurts the charters more than the districts although in our particular case it hurts us quite a bit. So anyway, I would like to have a few people to work with me; and I'd be willing to chair it; and I need both charter and school district people.

(Female) Bill can add to the broad (continues; indistinguishable) this is a (??) (group?) that (Vicki?) and I talked about too. When were looking at dual enrollment, who has responsibility for the child with respect to testing?

(Ruth) We do have a policy.

(Mary) Yeah. We need to make sure that that policy starts jiving with what; well I guess we can revisit that policy if this committee does something on dual enrollment do we need to revisit that policy. That's a huge one at the secondary level. If the district does have the child for core academic courses and then the student is going to a charter school for some credit recovery things, who should have responsibility (or the flip side)? You know if you're taking math and science; math, history (??) here, who should be responsible for the AIMS testing even though the majority of the time is spent here? Tons of questions. I'll help with the (committee).

(Lyle) Kristen?

(Onset of random, indistinguishable discussion)

(Female) I don't mind helping on that one.

(Female) Linda would you volunteer for it, since you're a charter?

(Bill) And another district. You'll be on it Kevin?

(Kevin Price) Yes.

(Ruth) You're gunning for a medal! (laughter)

(Kevin Price) These are all important issues to debate and we have as many dual enrollment issues. I've gotta go back to my boss and ask for more help (laughter).

(Ruth) We just came from a meeting with your boss—don't worry! (Laughter)

(Bill) You've got to give me the list of people.

(Ralphie) So, for the dual enrollment committee is that Bill Maas, Karen Havird and Kevin Price?

(Multiple Voice) And Mary Gifford and Linda Proctor-Downing.

(Female) Kristen, (continues very softly; indistinguishable)

(Kristen) I'd be happy to. He's not familiar with the (?)

(Female) You're talking about dual enrollment in just high school right, not college dual enrollment?

(Bill) Right.

(Onset of random, indistinguishable discussion.)

(Bill) No, no, no this has to do with—if a child goes to one public school and another public school there's no penalty. But if they go from one public school and a charter school, then you've got prororation of the ADM.

(Karen) So, would we cover the discussion about how we would have a kindergartner for half day in Gilbert schools and then in the afternoon their going to a charter?

(Onset of random, indistinguishable discussion.)

(Bill) That is exactly what it's about.

(Onset of random, indistinguishable discussion.)

(Lyle) Ralphie?

(Ralphie) So far, for the March meeting I have dual enrollment, and there were a couple of other items that were pulled from this agenda; or delayed until March which will also be current year/prior year funding. The AYP grad rate—was there still interest in discussing that in the next meeting?

(Linda) I went as far as going to Washington in questioning the AYP grad rate issues that are happening in Arizona, and it fell back into the state's lap, again. It's the verbiage within our state definition of graduation rate that has become the issue. Because according to Washington, they say standard number of years, and our state policy has laid down what they felt was standard number of years. Which is not in correspondence with other states; it varies from state to state which causes a real inconsistency between each of the states that caused Arizona to have some issues.

(Mary) I don't know if this School Finance—I totally agree with you Linda, I think the attendance rate would be more of a...but the graduation rate—I don't know that that's a School Finance---

(Onset of random, indistinguishable discussion.)

(Sally) I was involved with a group in Washington, talking about that very issue that none of the states report the same way. I was listening to some people from Chicago and the way they look at high school completion is four years plus the summer. You know, so every state does their own thing and there's a real big push to have one

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umbrella or 'one size fits all' for the whole nation and they're working on that. You know, under No Child Left Behind.

(Female) But they're having issues with the state consistency.

(Female) Right.

(Female) I agree. Maybe it's a policy issue.

(Ruth) It's something we do have a deputy associate that deals with these issues; this is her responsibility. Karen Butterfield she's terrific.

(Female) She was there...

(Ruth) So if you give Karen a call and talk with her about this, but it is—

(Onset of random, indistinguishable discussion.)

(Ralphie) Lyle, there's one last thing. I also want to mention that the Advisory Committee Feedback Forum application is probably going to be launched within the next 10 days, and I've already received a couple of other emails from the general public. So there will be other recommendations for additional topics; which I will then send out to the committee for consideration. So don't feel like you have to think of everything right now; that's another resource.

(Lyle) Calls on Kristen

(Kristen) I just wanted to put another topic on the table. For consistency on what, given we're in an electronic age now, what is the audited attendance record? If we can have that discussion, so we have consistency...

(Onset of random, indistinguishable discussion.)

(Vicki) That's a good topic because as an agency, we are researching what other states are doing now because of technology; and what that requirement is, what they'll accept. So I've asked my Audit Unit to pull as much data as they can, so maybe that would be a good topic if they have enough by March to bring to the table.

(Karen) I have a technical question from another school district and I don't know if it belongs here or not. They were questioning on the Annual Financial Report, the fact that there's a column that's no longer reported for reversions to federal and state. So because of that lack of a column, they are having to make adjustments to beginning/ending cash balances in order to pick up those reversions. Is that something that is a technical thing that belongs at this group?

(Lyle) That's more of a Grants [Management] question. I remember the question coming up before and hearing the reason it has to be handled...

(Vicki) You reverted that directly or (?)

(Karen) Off the top of my head I don't know. It goes back to the reversion to; it used to be you would report on the grants here's your beginning cash, here's your revenues, here's your reversions, here's your expenditures. But now there's no place to report the reversions.

(Vicki) Because they're hoping your spending first in/first out and you won't have any reversions. And that's what we're trying to (??).

(Karen) Oh....

(Vicki) You know, use your old money first.

(Karen) I can find out more, this thing comes to me from another school district; find out what the concerns were.

(Vicki) Why don't you give me a call after this, and I'll work with you through Grants.

(Karen) Yeah, ok good, thank you.

(Female) This would be a good time, since we're doing a lot of (??)

(Brenda) One other issue I wanted to bring forward is over expenditures for budget capacity. I know that when you have an over expenditure in one fiscal year the next fiscal year you need to reduce your budget by that amount. But what I'm experiencing at my district is, when we reduce our budget by that amount our state aid was reduced. I still have that over expenditure, I have to raise that money at the local level plus I have to raise what was withheld in state aid at the local level; so were getting hit twice. So the way I'm reading statutes, I'm having to pay over a million dollars in cash back. So I'd like to take a look at that issue.

(Ruth) What district are you?

(Brenda) Blue Ridge.

(Lyle) That language is something that I've read many times, and sometimes I can make it make sense, other times....

(Karen) Can I add to that? You know how there's a silly, stupid law on the books that says you're not allowed to over expend the special ed section and the transportation section, why is that out there?

(Male) Because when the law originally went in the special ed advocates were concerned that a district would adopt a special ed budget this big and then during the year spend it someplace else. So the idea is if you budget one hundred thousand dollars in special ed and your going to spend less there so you can spend more in M&O, you have

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to do it at a public meeting so people would know your under-spending special ed and over-spending the regular ed. It's the special ed advocates that didn't want people to budget a lot in there and then not even spend it..(?)

(Karen) It's just always over expending in special ed so I mean...I

(Male) It's just the opposite. The special ed people were always worried that the regular ed would siphon off all the special ed monies and what's happening is its working just the opposite—

(Onset of random, indistinguishable discussion.)

(Karen) So its an old law that really stupid and it should be removed from the books.

(Male) Well, you still might have a problem where somebody might say you go to your citizens, you adopt your budget, and you say you're going to do this but during the year you just do whatever you want. So there will still be some argument, since that's changing what your budget was adopted [as]; what you could do with your adopted budget. You want to disclose that people so it wasn't done secretly.

(Karen) Well, only within the subsections?

(Male) Special ed, regular ed and pupil transportation.

(Onset of random, indistinguishable discussion)

(Karen) As long as I'm not over the bottom line, you know?

(Male) But you may not necessarily be able to revise your budget. You could find that out in June, when it's too late to revise it. So there are cases where you have to authorize over expenditures, (continues, indistinguishable).

(Mary) There was something that the State Board for Charter Schools talked about at the legislative subcommittee and I think there are a lot of things that (??), but I'd like to throw it out: The AFR currently, are un-audited data; and its what policy makers use to make billion dollar decisions. And, in many cases, it's totally inaccurate. There are cases where reporters, JLBC folks have used data from AFR and they get called by the districts or charters schools saying where'd you get the data? And they say, well, on your AFR. And the response is, well everyone knows those AFR's aren't right. I would like to see if there's a way to start looking at—and this will take, a lot of coordination with statute—to have AFR's be completed *after* the audits and requirement that AFR data is audited financial data. So that the AFR's have some meaning and will be useful to policy makers who make the decisions. But it--the timing becomes difficult for publishing the Superintendent's Annual Financial Report and how quickly can audit actually be turned around when charters schools now only have 4.5 months after the close of the fiscal year to get their audits done; in hopes of trying to get this data out there earlier so that it could be relevant to policy makers. But it would be something I'd like to talk about so there's actual relevant data out there.

(Karen) I don't know, I find my AFR very relevant. I mean the auditors come in and they look at it and my numbers are actually 100% accurate.

(Mary) You're actually very rare.

(Karen) I am? (laughter)

(Female) There are AFR's submitted that have big chunks missing in them.

(Onset of random, indistinguishable discussion)

(Female) You go through the (??) big zeros.....

(Jay) It's always interesting reading.

(Female) Big inconsistencies. You look at AFRs and you assume if the class size is 12 and teachers are paid 63 thousand dollars a year....

(Karen) Wow, I am shocked.

(Male) Karen, I can support that. We run into that (database?) there are hundreds of errors; hundreds, probably thousands.

(Mary) It just really worries me that legislators will get the annual financial report and they believe that its good data, and its not good data in most cases.

(Jay) I believe that (?) has a disclosure statement on it—even on the annual report that says that this is un-edited un-audited data. Or self reported and un-audited.

(Lyle) But the data is still used for decisions. It also goes to NCES for ...

(Female) So for calculation of why we're in the toilet on all these facts and figures, it comes from the AFR.

(Male) Yeah, I see in the pages of the Republic...

(Mary) Right, exactly. And if you look at what's really, (>??) so I would like to see if there's a way that we can look at that. I know that it would be an enormous (?? continues, indistinguishable)...But if there would be a way to put it on the agenda; I don't see anything happening this legislative session, but maybe for the following legislative session if we got our ducks in a row.

(Karen) Or just make people do it right. I just can't believe that.

(Ruth) Well, we'll get it on a future agenda. We may not get on the next agenda, but we will...

(Onset of random, indistinguishable discussion)

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Closing Remarks

(Ruth) Are there any other issues that you would like to raise? I think our agenda for next time is full. And there are some items that we've identified that will be on the next agenda. I think we've got a pretty full scheduled. Did we thank Ralphie? Thank you Ralphie!

(Random speakers) Thank you Ralphie, applause.

(Ruth) Thank you for all the wonderful work you're doing. I know Lyle's easy, but putting up with me has got to be (?). And thank you all very much.

Adjournment

Meeting adjourned at 2:45 p.m.